

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6627**

**BILL NUMBER: SB 244**

**DATE PREPARED:** Jan 5, 2001

**BILL AMENDED:**

**SUBJECT:** Health Data Base and EQSC Extension.

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**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill creates the State Public Health Information Coordination Commission to coordinate the exchange of information between the Department of Environmental Management and the State Department of Health (SDH) and to carry out other health information coordination duties. It requires the Commission to study and make recommendations for the improvement of the state's geographical information data bases and to oversee the creation and administration of a health information data base pilot program. It also provides that the health data base pilot program is to identify statewide disease trends, local disease trends, and gaps in available health information. The bill also requires the SDH to administer the program and report on the program to the Environmental Quality Services Council (EQSC). The bill requires the SDH to ensure that the staff of the State Cancer Registry is sufficient to adequately manage data in the cancer registry. Beginning in July 2003, it annually appropriates \$1,000,000 from the Indiana Tobacco Master Settlement Agreement Fund to the SDH for staffing and maintaining the cancer registry. The bill provides that the Birth Problems Registry is to receive and record information on severe disabilities that are recognized at any time before a child is four years of age. It reestablishes and extends the EQSC through December 31, 2005. It also repeals the current EQSC enabling statutes (which expire December 31, 2000).

**Effective Date:** Upon passage; July 1, 2001; July 1, 2003.

**Explanation of State Expenditures:** *State Public Health Information Coordination Commission:* This bill creates the State Public Health Information Coordination Commission which will be composed of four members representing the Commissioner of the Department of Environmental Management, the State Health Commissioner, the Commissioner of the Department of Administration, and a member of a local board of health. Members of the Commission who are state employees are eligible to receive reimbursement of travel expenses. Commission members who are not state employees are eligible to receive a per diem of \$50 per day, in addition to a travel reimbursement. The Commission may require a program director. If that is the case, the Commission's total cost is expected to be approximately \$45,000 in FY 2002, and \$42,000 in subsequent years.

The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing staff and resources not currently being used to capacity; (2) Existing staff and resources currently being used in another program; (3) Authorized, but vacant, staff positions, including those positions that would need to be reclassified; (4) Funds that, otherwise, would be reverted; or (5) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

*Health Information Data Base Pilot Program:* This bill also creates the Health Information Data Base Pilot Program. While full implementation of this provision is estimated to cost approximately \$600,000 in FY 2002, and approximately \$200,000 in subsequent years, this proposal does not make an appropriation for the program's establishment. The projected costs would include the salary and benefits of a Senior Systems Analyst and the contracting cost associated with fulfilling the bill's provisions.

*Cancer Registry:* The bill requires the Department of Health to expand and staff the Cancer Registry. The Department of Health estimates that, if funding were available, this proposal could cost up to \$1.9 M in the first year, \$1.7 M in the second year, and \$900,000 in subsequent years. The estimates include the salaries and fringe benefits of 15 new employees, field costs, and other miscellaneous expenses. If funding does not become available, the Department would have to adjust the implementation of the bill's requirements to existing staff and resources. A portion of the funding for this program is appropriated beginning in FY 2005.

The bill appropriates \$1 M annually from the Tobacco Settlement Fund to the Department of Health for its use in staffing and maintaining the Cancer Registry beginning in FY 2005. The Tobacco Settlement Fund is projected to receive approximately \$141.7 M in FY 2005. Beginning in July 2004, the bill annually appropriates \$1 M from the Tobacco Settlement Fund to the State Department of Health for staffing and maintaining the Cancer Registry.

*Background:* Although the Tobacco Settlement calls for state payments to continue in perpetuity, the following table shows the scheduled annual payments to Indiana from the tobacco companies through FY 2005. Each annual payment is adjusted for forecast reductions in the domestic cigarette sales volume.

Projected Annual Payments to Indiana from Tobacco Companies: FY2001 - FY2005.

Fiscal Year	Projected Payments
2001	\$131.0 M
2002	157.8 M
2003	163.9 M
2004	139.5 M
2005	141.7 M

(The amounts in the Projected Settlement Distribution do not reflect the appropriations made from the Fund as provided in this bill.)

*Birth Problems Registry:* The bill also expands the Birth Problems Registry to include birth problems that

are recognized in children under four. The expansion of the Registry is expected to cost \$75,000 in FY 2002, and \$69,000 in subsequent years. The cost estimates include the salary and fringe benefits of two additional positions. These additional costs will be funded by an increase in the fee the Department of Health charges for birth certificates.

(Updated fiscal information will be provided when available.)

*Environmental Quality Service Council (EQSC):* This bill extends the expiration date of the EQSC. Legislative Council Resolution 00-2 (Adopted May 25, 2000) provides that the budget of any study committee consisting of at least 16 members is \$18,500. Public Law 248-1996 provides that the EQSC consists of 24 members. Hence, the EQSC is allowed an annual budget of \$18,500. The budget of the EQSC is paid from the legislator travel account within the Legislative Services Agency budget. Legislative Services Agency appropriations come from the State General Fund.

For the 2000 interim and as of December 6, 2000, the Council spent \$14,300 of its total budget. Extending the life of the Council for an additional five years will result in an annual expenditure from the State General Fund of at most \$18,500. Legislative Services Agency will provide staff for the Council, as it currently does. The Agency will incur no additional expenses.

**Explanation of State Revenues:** The increase in the birth certificate fee is expected to generate an additional \$85,000 annually.

**Explanation of Local Expenditures:** The bill requires the State Department of Health and Department of Environmental Management to select a limited number of geographic locations for study that have local health departments of adequate size and resources to assist in the program, including Marion and Lake County. Any impact of this provision on the local boards will be absorbed within their existing budgets.

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Health; Department of Environmental Management; Department of Administration, and Legislative Services Agency.

**Local Agencies Affected:** Counties.

**Information Sources:** Department of Health; Tobacco Settlement projections by Morgan Stanley Dean Witter.